

Compounds

1. The new InterChange system allows for up to 25 NDCs (ingredients) to be sent per claim.
2. The claim will be rejected if one or more NDCs are non-covered. For compound claims with one or more non-covered ingredients, a value of “8” should be submitted in the **Submission Clarification Code** field to allow for payment of the remaining covered NDCs.
3. For a transaction to be considered a compound claim the compound segment must be sent and the **compound code field** must have a value of “2”. A value of “1” in this field indicates that the claim is NOT a compound, in other words, a regular pharmacy claim.
4. If the compound code indicates that it is a compound claim, but the compound segment (eg – list of different ingredients) is not sent, the transaction will reject for a syntax error. The quantity for each ingredient billed must be billed at the compound segment level.
5. Compounding time (NDC 9999999999) is only payable on a compound claim, not a regular pharmacy claim. A prior authorization (PA) must be on file for the compounding time NDC to be payable. The provider must contact Health Information Designs (HID) at 1-800-748-0130 for compounding time PA information.
6. Two NDCs that require PA (for example, compounding time and Viagra) can, and must, be billed on the same prescription. The InterChange system will search for, and apply, the appropriate PA to each NDC that requires a prior authorization when it is billed.
7. Compound claims typically contain more than one ingredient. If only one ingredient needs to be billed, most likely it does not need to be billed as a compound claim.
8. Compounds are priced as follows: each payable ingredient’s reimbursement amount is calculated during processing. These amounts are summed, and any TPL and/or copay amounts are applied to this summed amount, which becomes the paid amount on the claim. Only one dispensing fee will be applied to a compound claim.